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C O N F I D E N T I A L KINGSTON 000766

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DEPT FOR WHA/CAR Q ANDRE CADIEU, VELIA DE PIRRO INR/IAA Q BOB CARHAT WHA/EPSC Q MATT ROONEY INL/LP O AIMES MARTIN INL/G-TIP Q BARBARA FLECK TREASURY FOR ERIN NEPHEW JUSTICE FOR ROBERT LIPMAN

E.O. 12958: DECL: 09/02/2018

TAGS: PREL PGOV PINR SOCI SNAR ASEC ECON EFIN KCRM KCOR IBRD

IABD, JM, XL

SUBJECT: JAMAICA: HIGH NOON APPROACHES FOR THE

OPPOSITION PEOPLEQS NATIONAL PARTY (PNP)

REFS:

- 1A. 07 KINGSTON 1336 (042044Z SEP 07) (NOTAL)
- 1B. KINGSTON 310 (141908Z APR 08) (NOTAL)
- ¶C. KINGSTON 364 (291558Z APR 08) (NOTAL)
- 10. 07 KINGSTON 1301 (291156Z AUG 07) (NOTAL)
- TE. KINGSTON 677 (281941Z JUL 08) (NOTAL)
 TF. 06 KINGSTON 2021 (121230Z OCT 06) (NOTAL)
- ¶G. KINGSTON 176 (271832Z FEB 08) (NOTAL)
- 1H. KINGSTON 647 (221203Z JUL 08) (NOTAL)
- 11. STATE 90744 (221853Z AUG 08) (NOTAL)
- 1J. KINGSTON 245 (191809Z MAR 08) (NOTAL)
- 1K. KINGSTON 096 (301930Z JAN 07) (NOTAL) 1L. KINGSTON 731 (211755Z AUG 08) (NOTAL)
- M. KINGSTON 571 (251519Z JUN 08) (NOTAL)
- IN. KINGSTON 621 (112013Z JUN 08) (NOTAL)

Classified By: Charge dQAffaires a.i. James T. Heg, reasons 1.4 (b) and (d)

Summary and Analysis

- $\P 1.$ (C) Following an interlude in which first the Beijing Olympics and then the devastation of Hurricane Gustav have monopolized the nation's attention, Jamaica now faces a high-stakes political struggle for the leadership of the opposition People's National Party (PNP). On September 20, some 4,000 party delegates will cast secret ballots in support of either the current Opposition Leader and former Prime Minister (PM), the charismatic populist Portia-Simpson-Miller (PSM), or the seasoned former Minister of National Security, Dr. Peter Phillips. Scripted by a fresh team of advisors and buoyed by a recent up-tick in her approval rating, PSM hopes to leverage her grassroots popularity to retain the leadership. For his part, a relaxed, confident Phillips sounds certain of victory, and expresses concern over the current Jamaican government's relations with the U.S.
- $exttt{12.}$ (C) Across the country, tensions are mounting among the PNP rank and file. On August 24, an altercation erupted at party headquarters between supporters of PSM and Phillips during which a pistol was brandished (but not fired). Given Jamaica's history of politically-motivated violence in the run-up to elections, the next three weeks may well bring other such incidents. As a precaution, the

party has placed a ban on outdoor meetings, motorcades, and advertising in the mass media. For both Phillips and PSM, political survival hangs in the balance; for their respective supporters, the stakes of sinecure and patronage are high. Many PNP parliamentarians are demanding that delegates from their respective districts vote as single blocs; however, given that the ballot will be secret, some delegates inevitably will vote their consciences, thus making the outcome all but impossible to predict Q high noon, indeed. End summary and analysis.

Phillips: Relaxed and Confident of Victory

- 13. (C) In a lengthy private meeting on August 27 at Ambassador's residence, former Minister of National Security Peter Phillips appeared relaxed and confident of victory in his ongoing campaign to oust former Prime Minister (PM) Portia Simpson-Miller (PSM) as President of the opposition People's National Party (PNP) at the annual conference September 19-21. Phillips maintained that his supporters "will come through" and that "all signs point to success." He acknowledged the stresses of the contest, admitting that at times he simply turns off his cell phone to get some rest. He then expressed concern over U.S.-Jamaican relations under PM Bruce Golding's Jamaica Labour Party (JLP) government. Referring to Golding's decline of an invitation to meet the President last March at the White House, Phillips claimed that "there had to be more to the story" than a scheduling difficulty. Ambassador confided that at one point Golding had indicated to her that he was "waiting for Obama." Phillips observed that an elementary rule of diplomacy was to respect the office of the head of state rather than the individual, and said "someone needs to give the current government basic lessons."
- ¶4. (C) Ambassador then observed that Jamaica needed stronger advocacy in Washington; meetings with Department officials and with key congressional contacts in order to garner support for Jamaica were vital. Phillips opined that Anthony Johnson had been a poor choice to serve as Jamaica's Ambassador in Washington; Golding had appointed him as a political payoff. Phillips said he understood the need for Jamaica to have good relations with Cuba and Venezuela, but could not understand why Golding was not also maintaining traditional close ties with the U.S. Ambassador observed that it was Jamaica's prerogative to court Chavez and Castro, but a mistake not to actively court the U.S.; for example, during the December, 2007 visit of Admiral Stavrides, high-level GoJ officials had missed an opportunity to cultivate SOUTHCOM, whose assistance in helping refurbish the Jamaica Defense Force (JDF)'s New Castle camp might be invaluable. In response to Ambassador's inquiry, Phillips said he was "perplexed" over the current Government's delay in implementing Jamaica's new asset forfeiture laws. Ambassador observed that PM Golding's proposed national athletic program would be a perfect use for funds acquired from asset forfeitures.

The Phillips Camp's Perspective: "Reason Will Triumph Over Emotion"

15. (C) In an August 16 private meeting with poloff, local PNP organizers Lorenzo Ellis and Karen Cross, both strong supporters of Phillips, exuded confidence in his victory. Ellis maintained that PSM had lost the national election of 2007 (reftel A) because she had "misread the Jamaican electorate;" Phillips stood a better chance of uniting and leading both the PNP and the country at large. Ellis expressed confidence that Phillips, academically trained in political sociology, would have a better chance of besting PM Golding in a national election. Cross and Ellis posited that once the Supreme Court rules on whether dual citizens can retain seats in the government (reftels B, C), this may set the stage for parliamentary elections in 12009. Cross said that the "natural affinity between the PNP and grassroots poor people" would be a strong asset to the party in any election held during this period of increased cost of living and economic stagnation. She wants to see the party adopt a national economic policy which would "regulate without being statist." Cross and Ellis acknowledged that PSM retains strong popularity, but expressed hope that during the party convention the majority of the expected 4,000 delegates will vote rationally rather than emotionally.

PSM Camp's Perspective: a Fresh Start

- 16. (C) Prominent PNP Senator Basil Waite, in a private meeting with poloff on August 18, reconfirmed his support for Simpson-Miller. He maintained that the challenge to her leadership had been launched "unfairly," dividing the party when the PNP "needs to be a part of the national discussion, not infighting." Waite objected to Phillips' "hypocrisy" in criticizing the PNP's recent policies, noting that Phillips himself had been a member of the steering committee which had drafted the party's manifesto (reftel D). Waite assessed that Simpson-Miller's "heart is in the right place" in terms of seeing her role as a defender of the poor; her major weakness was "her distrust of others." Waite said that initially, PSM had selected her inner circle based on their personal loyalty rather than on their expertise. He referred to PSM's inner circle as "a set of losers," and said that he and others among her supporters have set about replacing her close advisors with capable technocrats. Waite maintained that PSM's greatest strength was that Jamaicans listen to her, and said frankly, "she can be scripted as a vehicle" (note: Waite has written several speeches for Simpson-Miller).
- 17. (C) Waite then emphasized the need for national electoral reforms. He maintained that there are links between campaign finance reform and general development, and asserted that drug barons have funded many political campaigns and then have sought quid-pro-quo benefits. He alleged that the recently deported felon Norris "Dido" Nembhard (reftel E) had been "surprised to be extradited by a JLP government after having swung the election for that party." Waite said he would like to see further U.S. assistance on improving campaign finance regulations, and spoke about endemic social problems "when the drug trade is reduced but guns still remain in the hands of volatile, now unemployed young
- people." Waite assessed that "Jamaica is on the tipping point of becoming a failed state."
- 8.(C) On August 14, "Team PNP," the group supporting PSM, designated Waite, Lisa Hanna, Angela Brown-Burke, Damion Crawford, Ian Hayles, Natalie Neita Headley, Easton Douglas, Mark Golding, Raymond Price, and former Foreign Minister Anthony Hylton as official spokespersons. (Note: this group is made up largely of the "capable technocrats" to whom Waite alluded). Conspicuously absent from the list were a number of longtime PSM loyalists:
- -- former PNP General Secretary and Senator Colin Campbell, who was disgraced in the Trafigura campaign finance scandal (reftel F);
- -- former Minister of Industry, Commerce, Science, and Technology Phillip Paulwell, who has been indicted on corruption charges in the Cuban light bulb distribution imbroglio (reftel G);
- -- former PNP General Secretary Donald Buchanan, whose acerbic, combative style has done little to further PSM's cause;
- -- the flamboyant, gregarious former Minister of Agriculture Roger Clarke (note: at a subsequent PNP rally, Clarke made light of not being named a spokesperson, claiming his real role was that of "Portia's official bloodhound;" on August 26 "Team PNP" added Clarke's name to its list of spokespersons).

Vice-Presidential Contenders Split Along Factional Lines

- 19. (SBU) The PNP's division into PSM's and Phillips' factions is mirrored in the eight candidates running for the party's four vice-presidential positions:
- (A) Angela Brown-Burke, Derrick Kellier, Noel Arscott, and Bunny Witter remain loyal to PSM;
- (B) Sharon Haye-Webster, Harry Douglas, Fenton Ferguson, and Wykeham McNeil back Phillips.

Most delegates are expected to vote along straight factional lines, thus increasing the possibility that either PSM's or Phillips' supporters may be locked out altogether from prominent party positions.

Background: Endgame in a Labyrinthine Three-Dimensional Chess Match

110. (C) As noted reftel (H), the impending showdown between PSM and

Phillips will be the final move in a labyrinthine game of three-dimensional political chess which has been underway since May, 2002, when newly-reelected former-PM P.J. Patterson announced he would not lead the PNP in any future elections. Patterson touched off a bitter succession struggle for the party presidency among the seasoned heir-apparent Phillips, then-Finance Minister Omar Davies, the charismatic populist PSM, and then-Minister of Water and Housing Karl Blythe. PSM's eventual victory left deep wounds from which, despite a veneer of unity during the 2005-06 PNP Government, the party never has recovered.

Analysis: the Charismatic Populist vs. the Seasoned Political Operative

- 111. (C) PSM always has appealed to the grassroots electorate; it is revealing that Waite, a Harvard-educated Senator, is now squarely in her camp. He spent several years in the U.S. completing an M.A. in public policy at the Kennedy School and working for the World Bank before returning to Jamaica to open businesses and enter politics. He currently is an appointed Senator for the opposition party, but seems to have greater political aspirations. With Waite scripting PSM's policy goals and working with a like-minded group of savvy kingmakers, the former Prime Minister hopes to leverage her popularity and retain leadership of the PNP. Distancing herself (at least publicly) from Campbell, Paulwell, and Buchanan is part of this "fresh direction" strategy.
- 112. (C) For his part, Phillips is very much in the mold of the well-educated, wealthy elite who traditionally have led the PNP, i.e., Michael and Norman Manley and P.J. Patterson. In recent speeches he has called for the party to return to its "core socialist values," but also privately has offered assurances to Washington that he does not intend for the PNP to readopt its disastrous leftist economic agenda of the 1970s. The Phillips camp is widely believed to have grown stronger over recent weeks, marshaling powerful financial backing. His grassroots activists are getting their message out in the days leading up to the party convention. More ominously, the powerful reputed organized crime figure Kenneth "Skeng Don" Black reportedly has shifted his support from PSM to Phillips (reftels H,I).
- 13.(C) Across the country, tensions are mounting among the PNP rank and file. On August 24, an altercation erupted at Party headquarters between supporters of PSM and Phillips during which a pistol was brandished (but not fired). Given Jamaica's history of politically-motivated violence in the run-up to elections, the next three weeks may well see other such incidents. As a precaution, the party has placed a ban on outdoor meetings, motorcades, and advertising in the mass media in the run-up to September 20. For both Phillips and PSM, political survival hangs in the balance; for their respective supporters, the stakes of sinecure and patronage are high. Many parliamentarians are demanding that delegates from their respective districts vote as single blocs; however, given that the ballot will be secret, some delegates inevitably will defy their MPs and vote their consciences Q high noon, indeed. The PNP leadership battle has given the Golding-led JLP government some breathing space, but once the question is decided, the PNP can be expected to renew its pressure on the government.

Implications for the U.S.

14.(C) As noted reftel (H), from Post's perspective the worst outcome of the looming PNP struggle would be a party in which the influence of the more moderate and pragmatic Phillips faction had been sharply diminished, with Simpson-Miller remaining Opposition Leader surrounded by, and beholden to, such left-wing PSM-loyalists as Donald Buchanan, Paul Burke, and Phillip Paulwell. That PSM apparently is now relying more on the advice of Waite, Hayles, Headley, and Hylton is encouraging -- though it would be a stretch to believe that she has embarked on a crusade to weed out corruption in the party. On the othe hand, Kenneth Black's shift to support Phillips is disturbing; if Phillips becomes Opposition Leader and eventually forms the next government, these ties could well come back to haunt him -- and to complicate bilateral cooperation in law enforcement and anti-corruption efforts.